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UNITED STATES DISTRICT COURT
 FOR THE CENTRAL DISTRICT OF CALIFORNIA
 SOUTHERN DIVISION

UNITED STATES OF AMERICA,	)	NO. SA CV 06-378-AHS (MLGx)
	)	[AND THE FOLLOWING CONSOLIDATED
Plaintiff,	)	ACTIONS:
	)	SACV 06-384-AHS (MLGx)
v.	)	SACV 06-387-AHS (MLGx)
	)	SACV 06-388-AHS (MLGx)
REAL PROPERTY IN GARDEN GROVE,	)	SACV 06-392-AHS (MLGx)
CALIFORNIA,	)	CV 06-2216-AHS (MLGx)
	)	CV 06-5081-AHS (MLGx)
Defendant.)	

CONSENT JUDGMENT

ZNC PLAZA, INC.; EVERTRUST	)	[This document pertains to all
BANK; AGSTAR FINANCIAL	)	actions except <u>Real Property in</u>
SERVICES; JONG OCK MAO; PLAZA	)	<u>Las Vegas, NV, CV 06-2210; Real</u>
SUNSET INVESTMENTS, LP; ZNC	)	<u>Property in La Puente, CA, CV</u>
ENTERPRISES, LLC; JONG'S	)	<u>06-2212; Real Property in</u>
CONSULTING, INC.; WASHINGTON	)	<u>Paramount, CA, CV 06-2217; and</u>
MUTUAL BANK; MORTGAGE	)	<u>\$46,050.41 Bank Account Funds,</u>
ELECTRONIC REGISTRATION	)	CV 07-167 -- it is not
SYSTEMS, INC., and EDWARD LUTT,	)	dispositive of the entire
	)	consolidated action]

Claimants.

AND CONSOLIDATED ACTIONS.

1 On April 11, 2006, plaintiff United States of America
2 ("plaintiff" or the "government") commenced forfeiture actions
3 against:

4 -- a parcel of real property located in Garden Grove,
5 California, United States v. Real Property in Garden Grove,
6 California, SACV 06-378-AHS (MLGx) (the "Garden Grove
7 property action");

8 -- a parcel of real property located in Palestine, Texas,
9 United States v. Real Property in Palestine, Texas, SACV 06-
10 384-AHS (MLGx) (the "Palestine property action");

11 -- a parcel of real property located in Madisonville, Texas,
12 United States v. Real Property in Madisonville, Texas, SACV
13 06-387-AHS (MLGx) (the "Madisonville property action");

14 -- a parcel of real property located in Marianna, Florida,
15 United States v. Real Property in Marianna, Florida, SACV
16 06-388-AHS (MLGx) (the "Marianna property action");

17 -- a parcel of real property located in Beaumont,
18 California, United States v. Real Property in Beaumont,
19 California, EDCV 06-392-AHS (MLGx) (the "Beaumont property
20 action"); and

21 -- a parcel of real property located in Baldwin Park,
22 California, United States v. Real Property in Baldwin Park,
23 California, CV 06-2216-AHS (MLGx) (the "Baldwin Park
24 property action").

25 On February 8, 2007, the government filed a Second Amended
26 Complaint for Forfeiture against the following seized assets:

27 -- \$629,710.76 in bank account funds (the "defendant bank
28 account funds");

1 -- \$21,767.00 in U.S. currency (the "defendant currency");
2 -- one 2002 Renegade Motorhome (the "Motorhome");
3 -- one 2004 JCB Backhoe with enclosed cab, serial no.
4 903465, (the "Backhoe");
5 -- one mortgage or loan note in the amount of \$300,000 (the
6 "Note"); and
7 -- \$341,262.00 in net proceeds from the sale of real
8 property in South Gate, California (the "defendant
9 proceeds").

10 Collectively, the defendant bank account funds, the defendant
11 currency, the Motorhome, the Backhoe, the Note, and the defendant
12 proceeds shall be referred to herein as the "seized assets."

13 In each of these consolidated actions, the government alleges
14 that the defendant properties were purchased with proceeds of
15 violations of the Travel Act, 18 U.S.C. § 1952(a), and/or were
16 involved in money laundering transactions, rendering the assets
17 subject to forfeiture pursuant to 18 U.S.C. § 981(a)(1)(A) and
18 (C).

19 On May 30 and July 14, 2006, claimant ZNC Plaza Inc.
20 ("claimant ZNC") filed, respectively, a statement of interest and
21 an answer in the Garden Grove property action. On May 18 and 24,
22 2006, lien-holder claimant Evertrust Bank filed a statement of
23 interest and an answer, respectively, in the Garden Grove
24 property action. Pursuant to stipulated order, the Garden Grove
25 property was sold, lien-holder claimant Evertrust Bank was paid
26 in full, and, on July 16, 2007, the net proceeds in the sum of
27 \$2,800,485.72 were substituted as the defendant res in the Garden
28 Grove property action.

1 On May 30 and July 14, 2006, claimant Jong's Consulting Inc.
2 ("claimant Jong's") filed, respectively, a statement of interest
3 and an answer in the Palestine property action. On June 30,
4 2008, claimant Jong's filed for bankruptcy. The bankruptcy
5 trustee has filed a motion for an order authorizing the sale of
6 the Palestine property, which motion is set for hearing September
7 10, 2008.

8 On May 30 and July 14, 2006, claimant Jong Ock Mao
9 ("claimant Mao") filed, respectively, a statement of interest and
10 an answer in the Madisonville property action. On May 17, 2006,
11 lien-holder claimant AgStar Financial Services, as agent for
12 First Source Capital Mortgage, filed a statement of interest and
13 an answer in the Madisonville property action. Pursuant to
14 stipulated order, the Madisonville property was sold, lien-holder
15 claimant AgStar Financial Services, as agent for First Source
16 Capital Mortgage, was paid in full, and, on August 7, 2008, the
17 net proceeds in the sum of \$216,597.16 were substituted as the
18 defendant res in the Madisonville property action.

19 On May 31 and July 14, 2006, claimant Plaza Sunset
20 Investments LP ("claimant Plaza") filed, respectively, a
21 statement of interest and an answer in the Marianna property
22 action. In or about November 2006, the Marianna property was
23 sold at a foreclosure sale to lien-holder Peoples South Bank.

24 On May 30 and July 19, 2006, claimant Jong Ock Mao
25 ("claimant Mao") filed, respectively, a statement of interest and
26 an answer in the Beaumont property action.

27 On May 30 and July 14, 2006, claimant ZNC Enterprises LLC
28 ("claimant ZNC") filed, respectively, a statement of interest and

1 an answer in the Baldwin Park property action. Pursuant to
2 stipulated order, the Baldwin Park property was sold, and, on
3 August 25, 2006, the net proceeds in the sum of \$98,592.61 were
4 substituted as the defendant res in the Baldwin Park property
5 action.

6 On October 4, 2006, claimants Jong Ock Mao, Jong's
7 Consulting Inc., Mao Family Limited Partnership, MX Oasis Inc.,
8 County Wide Investment LLC, Plaza Sunset Investment LP, ZMX R
9 Inc., ZNC Compassion Foundation, ZNC Enterprise LLC, ZNC Plaza
10 Inc., and ZNC Plaza Management Inc. (collectively, "claimant
11 Mao") filed statements of interest in the seized assets action.

12 No other claims, statements of interest, or answers have
13 been filed in the Garden Grove property action, the Palestine
14 property action, the Madisonville property action, the Marianna
15 property action, the Beaumont property action, the Baldwin Park
16 property action, and the seized assets action, and the time for
17 filing claims, statements, and answers has expired.

18 The government and claimants have agreed to settle the
19 Garden Grove property action, the Palestine property action, the
20 Madisonville property action, the Marianna property action, the
21 Beaumont property action, the Baldwin Park property action, and
22 the seized assets action and to avoid further litigation.

23 The Court having been duly advised of and having considered
24 the matter, and based upon the mutual consent of plaintiff and
25 claimants,

26 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED:

27 1. This Court has jurisdiction over the Garden Grove
28 property action, the Palestine property action, the Madisonville

1 property action, the Marianna property action, the Beaumont
2 property action, the Baldwin Park property action, and the seized
3 assets action pursuant to 28 U.S.C. §§ 1345 and 1355.

4 2. The Complaints for Forfeiture state claims for relief
5 pursuant to 18 U.S.C. § 981(a)(1)(A) and (C).

6 3. Notice of the actions has been given as required by
7 law. Claimants identified herein filed the only claims,
8 statements of interest, and/or answers in the Garden Grove
9 property action, the Palestine property action, the Madisonville
10 property action, the Marianna property action, the Beaumont
11 property action, the Baldwin Park property action, and the seized
12 assets action. The Court deems that all other potential
13 claimants admit the allegations of the Complaints for Forfeiture
14 to be true.

15 4. Claimants agree to forfeiture as set out below. A
16 judgment of forfeiture is hereby entered in favor of the United
17 States, which shall dispose of the following defendant properties
18 in accordance with the law:

19 (A) \$2,800,485.72 in net proceeds from the sale of the
20 Garden Grove property plus all accrued interest on the
21 entirety of the net proceeds are hereby forfeited to the
22 United States of America, and no other right, title, or
23 interest shall exist therein.

24 (B) The net proceeds, if any, from the trustee sale of
25 the Palestine property are hereby forfeited to the United
26 States of America, and no other right, title, or interest
27 shall exist therein.

28 (C) \$216,597.16 in net proceeds from the sale of the

1 Madisonville property plus all accrued interest on the
2 entirety of the net proceeds are hereby forfeited to the
3 United States of America, and no other right, title, or
4 interest shall exist therein.

5 (D) \$98,592.61 in net proceeds from the sale of the
6 Baldwin Park property plus all accrued interest on the
7 entirety of the net proceeds are hereby forfeited to the
8 United States of America, and no other right, title, or
9 interest shall exist therein.

10 (E) The defendant bank account funds plus all accrued
11 interest on the entirety of the defendant bank account funds
12 are hereby forfeited to the United States of America, and no
13 other right, title, or interest shall exist therein.

14 (F) The defendant currency plus all accrued interest
15 is hereby forfeited to the United States of America, and no
16 other right, title, or interest shall exist therein.

17 (G) The Backhoe is hereby forfeited to the United
18 States of America, and no other right, title, or interest
19 shall exist therein.

20 (H) The Note is hereby forfeited to the United States
21 of America, and no other right, title, or interest shall
22 exist therein.

23 (I) The defendant proceeds plus all accrued interest
24 are hereby forfeited to the United States of America, and no
25 other right, title, or interest shall exist therein.

26 5. The Internal Revenue Service ("IRS") shall transfer
27 \$249,642.60 of the forfeited funds to the Department of Homeland
28 Security - U.S. Customs and Border Protection ("CBP") to

1 reimburse CBP for the monies withdrawn from the defendant bank
2 account funds to pay the lien of Lariat Construction Services,
3 Inc.

4 6. The action against the Marianna property is hereby
5 dismissed.

6 7. The Motorhome, which was previously returned to
7 claimant Mao, shall be retained by claimant Mao.

8 8. The action is hereby dismissed against the Beaumont
9 property. The government will record a withdrawal of lis pendens
10 within 30 days of the entry of judgment.

11 9. Claimants will execute further documents, to the extent
12 necessary, to convey clear title to the defendant properties and
13 to further implement the terms of this Consent Judgment.

14 10. Claimants hereby release the United States of America,
15 its agencies, officers, and employees, including employees of the
16 Department of Homeland Security, Immigration and Customs
17 Enforcement, IRS -- Criminal Investigation Division, and CBP, and
18 local law enforcement agencies, their agents, officers, and
19 employees, from any and all claims, actions, or liabilities
20 arising out of or related to these actions, including, without
21 limitation, any claim for attorneys' fees, costs, or interest on
22 behalf of claimants, whether pursuant to 28 U.S.C. § 2465 or
23 otherwise.

24 11. The Court finds that there was reasonable cause for the
25 institution of these proceedings against the Garden Grove
26 property, the Palestine property, the Madisonville property, the
27 Marianna property, the Beaumont property, the Baldwin Park
28 property, and the seized assets. This judgment shall be

1 construed as a certificate of reasonable cause pursuant to 28
2 U.S.C. § 2465.

3 12. The Court further finds that claimants did not
4 substantially prevail in the actions, and all parties shall bear
5 their own attorneys' fees and other costs of litigation.

6 DATED: October 22, 2008

ALICEMARIE H. STOTLER

7
8 THE HONORABLE ALICEMARIE H. STOTLER
CHIEF UNITED STATES DISTRICT JUDGE

9 CONSENT

10 The government and claimants consent to judgment and waive
11 any right of appeal.

12 DATED: October 9, 2008

13 THOMAS P. O'BRIEN
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14 CHRISTINE C. EWELL
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15 STEVEN R. WELK
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16 / S /

17 ANN LUOTTO WOLF
Assistant United States Attorney

18 Attorneys for Plaintiff
19 United States of America

20 DATED: September 8, 2008

/ S /

21 JONG OCK MAO, Claimant

22 DATED: September ____, 2008

/ S /

23 PAUL L. GABBERT

24 Attorney for Claimants
25 ZNC Plaza Inc., Jong Ock Mao, Mao
Family Limited Partnership, MX
26 Oasis Inc., County Wide Investment
LLC, Plaza Sunset Investment LP,
27 ZMX R Inc., ZNC Compassion
Foundation, ZNC Enterprises LLC,
28 ZNC Plaza Management Inc., and
Jong's Consulting Inc.

1 DATED: September 4, 2008

SHEPPARD MULLIN RICHTER & HAMPTON

2
3 / s /

4 RICHARD W. BRUNETTE, JR.
THERESA LOUISE WARDLE

5 Attorneys for Claimant
6 AgStar Financial Services
7

8 DATED: October 10, 2008 LAW OFFICES OF DAVID BOW WOO

9
10 / s /

11 DAVID BOW WOO

12 Attorneys for Claimant
13 Evertrust Bank
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